

## DMPC Decision – PCD 1160

**Title:** Consolidated IT Contract Renewals 22/23

### Executive Summary:

This decision requests approval to renew or extend selected existing IT contracts that expire in financial year 2022/23 including key services such as email, online collaboration (Teams) etc. where there are no immediate alternative arrangements feasible or possible. The renewals/extensions included within the business justification total £61.933m p.a. These contract renewals/extensions will be funded from existing approved budgets.

### Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

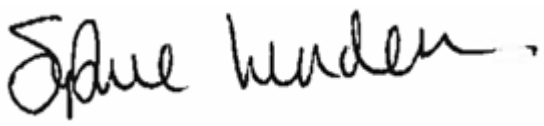
1. Approve the renewal or extension of existing IT contracts with a total contract value across the term of £500k in Part 2 at Appendix A or more up to a total limit of £58.511m per year, fully funded within MOPAC approved budgets.
2. Approve the renewal or extension of existing IT contracts with a total contract value across the term of under £500k detailed in the Part 2 at Appendix B via Direct Award or Single Tender Action, up to a total limit of £3.421m per year, fully funded within the MOPAC approved DP budget.
3. Approve delegated authority for the Director of Commercial Services to award and sign each of the contracts during 2022/23 within the parameters detailed in the Part 2 contract summary.

### Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

**Signature**



**Date 17/03/2022**

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC**

### **1. Introduction and background**

1.1. In Digital Policing there are a number of supplier contracts where for the following reasons:

- For exclusive rights reasons, such as the supplier exclusively owning the intellectual property rights in the software and therefore no other supplier is able to provide it;
- For technical reasons, such as there is simply no other supplier who provides a the same of equivalent product which meets the MPS's requirements;
- For economic/technical/compatibility reasons, such as infrastructure and Police operations cannot be re-engineered or re-designed to accommodate different a software/product without incurring disproportionate service disruption and/or unacceptable costs;

1.2. Therefore, no alternative exists, and either MPS:

- procure the supplier software licences via existing contracts (including framework agreements and value added reseller contracts) which MPS/MOPAC have access to; or
- extend the existing contract for economic/technical/compatibility reasons; or
- (where there is no other viable alternative) conduct a negotiated procedure without prior publication competition (for exclusive rights or technical reasons).

1.3. Many suppliers are unwilling to enter into long term arrangements or negotiate on price until the end of the contract. As a result, Digital Policing and Commercial Services often have limited time between the contract end and the submission deadlines for the appropriate Governance meetings (PIB / IAM) to secure best value for money.

### **2. Issues for consideration**

2.1. The requested consolidated approval would be subject to the renewals being for terms of no longer than three years being contained within a total of £61.933m p.a. and where there is no material change to the existing provision.

2.2. There are procurement options that are not recommended as they will not provide any additional value and would be both resource intensive and time consuming including:

- Conduct individual OJEU tender exercises. As there is an absence of competition for the requested renewals, undertaking OJEU tender exercises would not generate any valid responses, and
- Mini Competition via Crown Commercial Service or other framework agreement. Although using a framework represents a quicker route to market than an OJEU process, there is still an absence of competition due to technical reasons.

- 2.3. There are existing routes to market available for some of these the contracts (but not all), for example via direct award under an existing frameworks and third party re-seller contracts whereby the existing supplier is already named on the framework or can be procured by the re-seller. There are good value for money benefits as well as the benefit of legal compliance of using these existing routes to market. Wherever possible MPS shall seek to procure via these compliant existing routes to market.
- 2.4. Alternatively and where justified, procurements shall be conducted in accordance with the Public Contracts Regulations 2015 (see Legal Implications below).

### **3. Financial Comments**

- 3.1. Funding and or cost implications in this request are fully funded within the MOPAC approved DP budget with the exception of two contracts which are full funded from MOPAC approved Transformation and MO3 budgets.
- 3.2. This consolidated list of selected IT contracts assumes the impact of inflation will be no more than 5% fully funded in the Digital Policing budget.
- 3.3. The actual future costs and constituents of the consolidated contract renewals will vary depending on price changes but also increases in officer numbers and the evolution of the technical estate, as services are retired, evolved and new services brought into operation.

### **4. Legal Comments**

- 4.1. The Mayor's Officer for Policing Crime is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £213,477 (as per the PCR regs 1st January 2022) or above will be procured in accordance with the Regulations.
- 4.2. Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above, when the variation or extension is greater than 10% of the original value and/or is for a period of more than 12 months; and to approve all contract exemptions for £100,000 or above.
- 4.3. Paragraph 4.14 of the Scheme provides that the DMPC reserves the right to call in any proposal to award a contract valued at £500,000 or above.
- 4.4. Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent to approve all proposals to award of all contracts with the exception of those called in through the agreed call in procedure.

- 4.5. Contracts shall be procured or extended in accordance with the Public Contracts Regulations 2015. Either via existing compliant routes to market (direct call-off from an existing framework or value added reseller agreements) or in accordance with Regulation 32 or 72 of the Public Contracts Regulations 2015.
- 4.6. Regulation 32(2)(b) of the Public Contracts Regulations 2015 permits a negotiated procedure without prior advertisement where the works, supplies or services can be supplied only by a particular supplier only where:
- Competition is absent for technical reasons, and
  - The protection of exclusive rights, including intellectual property rights.
- 4.7. Regulation 72(1)(b) of the Public Contracts Regulations 2015 which permits existing contracts to be extended up to 50% of the original contract value for technical and inconvenience, duplication of costs reasons.
- 4.8. The provisions of Regulation 32 and 72 are strictly applied and Digital Policing shall ensure the appropriate justification for application of these Regulations is evidenced. Where required, Digital Policing and Commercial shall seek legal advice to ensure compliance.
- 4.9. Other compliant routes for procurement may include use of existing framework contracts (if the relevant supplier can supply under any such existing framework) where possible and commercially appropriate use of existing frameworks which name MPS as a user would be compliant with the Public Contracts Regulations 2015.

## **5. Commercial Issues**

- 5.1. There are existing routes to market available for some of these the contracts (but not all), for example via direct award under an existing frameworks and third party re-seller contracts whereby the existing supplier is already named on the framework or can be procured by the re-seller. There are good value for money benefits as well as the benefit of legal compliance of using these existing routes to market.
- 5.2. The renewal of these contracts contributes to the London Anchor Institutions charter through enabling modern and diverse methods of communication through online collaboration capabilities, continuing employment in London and the wider area for those involved in delivering the services and providing a range of technology to support the Met in keeping the people of London safe.

## **6. GDPR and Data Privacy**

- 6.1. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.

- 6.2. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
- 6.3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the renewals meet its compliance requirements.
- 6.4. The contracts do not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

## **7. Equality Comments**

- 7.1. As support arrangements for the selected systems are already in place, there are considered to be no negative equality or diversity implications arising from this request. Where appropriate an Equality Screening Exercise (ESE) will be conducted to identify any negative equality impact between the implementation and renewal, with an Equality Impact Assessment undertaken if negative impact is identified.

## **8. Background/supporting papers**

- 8.1. MPS Report

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Part 1 Deferral:**

Is the publication of Part 1 of this approval to be deferred? NO

If yes, for what reason:

Until what date: N/A

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – YES

**ORIGINATING OFFICER DECLARATION**

*Tick to confirm statement (✓)*

**Financial Advice:**

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

**Legal Advice:**

The MPS legal team has been consulted on the proposal.

✓

**Equalities Advice:**

Equality and diversity issues are covered in the body of the report.

✓

**Commercial Issues**

The proposal is in keeping with the GLA Group Responsible Procurement Policy.

✓

**GDPR/Data Privacy**

- GDPR compliance issues are covered in the body of the report.
- A DPIA is not required.

✓

**Drafting Officer**

Craig James has drafted this report in accordance with MOPAC procedures.

✓

**Director/Head of Service:**

The Interim Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

**Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

Signature



Date 11/03/2022





## Consolidated IT Contract Renewals 22/23

### MOPAC Investment Advisory & Monitoring meeting 03/03/2022

#### Report by John Clarke on behalf of the Chief of Corporate Services

**Part 1 – This section of the report will be published by MOPAC. It is Classified as OFFICIAL – PUBLIC**

#### *EXECUTIVE SUMMARY*

To request approval to renew or extend selected existing IT contracts that expire in financial year 22/23 including key services such as email, online collaboration (Teams) etc where there are no immediate alternative arrangements feasible or possible. Maximum approval requested is £61.933m p.a. This will be funded from existing approved budgets.

#### **Recommendations**

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

- **Approve the renewal or extension of existing IT contracts with a total contract value across the term of £500k in Part 2 at Appendix A or more up to a total limit of £58.511m per year, fully funded within MOPAC approved budgets.**
- **Approve the renewal or extension of existing IT contracts with a total contract value across the term of under £500k detailed in the Part 2 at Appendix B, up to a total limit of £3.421m per year, fully funded within the MOPAC approved DP budget.**
- **Approve delegated authority for the Director of Commercial Services to award and sign each of the contracts during 2022/23 within the parameters detailed in the Part 2 contract summary.**

#### **Time sensitivity**

A decision is required from the Deputy Mayor by 17/03/2022. This is because several key contracts, such as Microsoft DTA that provides email, video conferencing and other key services, expire on 31/3/22 and require sufficient lead time to execute the contracts.

#### **Non-confidential facts and advice to the Deputy Mayor for Policing and Crime**

#### **Introduction and background**

1.1 In Digital Policing there are a number of supplier contracts where for the following reasons:



- For exclusive rights reasons, such as the supplier exclusively owning the intellectual property rights in the software and therefore no other supplier is able to provide it;
- For technical reasons, such as there is simply no other supplier who provides a the same of equivalent product which meets the MPS's requirements;
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1.2 Therefore, no alternative exists, and either MPS:

- procure the supplier software licences via existing contracts (including framework agreements and value added reseller contracts) which MPS/MOPAC have access to; or
- extend the existing contract for economic/technical/compatibility reasons; or
- (where there is no other viable alternative) conduct a negotiated procedure without prior publication competition (for exclusive rights or technical reasons);

1.3 Many suppliers are unwilling to enter into long term arrangements or negotiate on price until the end of the contract. As a result, Digital Policing and Commercial Services often have limited time between the contract end and the submission deadlines for the appropriate Governance meetings (PIB / IAM) to secure best value for money.

### **Issues for consideration**

2.1 The requested consolidated approval would be subject to the renewals being for terms of no longer than three years being contained within a total of £61.933m p.a. and where there is no material change to the existing provision.

2.2 There are procurement options that are not recommended as they will not provide any additional value and would be both resource intensive and time consuming including:

- Conduct individual OJEU tender exercises. As there is an absence of competition for the requested renewals, undertaking OJEU tender exercises would not generate any valid responses, and
- Mini Competition via Crown Commercial Service or other framework agreement. Although using a framework represents a quicker route to market than an OJEU process, there is still an absence of competition due to technical reasons.

2.3 There are existing routes to market available for some of these the contracts (but not all), for example via direct award under an existing frameworks and third party re-seller contracts whereby the existing supplier is already named on the

framework or can be procured by the re-seller. There are good value for money benefits as well as the benefit of legal compliance of using these existing routes to market. Wherever possible MPS shall seek to procure via these compliant existing routes to market.

- 2.4 Alternatively and where justified, procurements shall be conducted in accordance with the Public Contracts Regulations 2015 (see Legal Implications below).

### **Contributes to the MOPAC Police & Crime Plan 2017-2021<sup>1</sup>**

- 3.1 These contracts provide a range of digital services that underpin the MOPAC Police and Crime Plan, for example recording systems for missing persons and intelligence, and network access to national systems etc.

### **Financial, Commercial and Procurement Comments**

- 4.1 Funding and or cost implications in this request are fully funded within the MOPAC approved DP budgets with the exception of two contracts which are full funded from MOPAC approved Transformation and MO3 budgets.
- 4.2 This consolidated list of selected IT contracts assumes the impact of inflation will be no more than 5% fully funded in the Digital Policing budget.
- 4.3 The actual future costs and constituents of the consolidated contract renewals will vary depending on price changes but also increases in officer numbers and the evolution of the technical estate, as services are retired, evolved and new services brought into operation.
- 4.4 The renewal of these contracts contributes to the London Anchor Institutions charter through enabling modern and diverse methods of communication through online collaboration capabilities, continuing employment in London and the wider area for those involved in delivering the services and providing a range of technology to support the Met in keeping the people of London safe.

### **Legal Comments**

- 5.1 The Mayor's Officer for Policing Crime is a contracting authority as defined in the Public Contracts Regulations 2015 ("the Regulations"). All awards of public contracts for goods and/or services valued at £213,477 (as per the PCR regs 1<sup>st</sup> January 2022) or above will be procured in accordance with the Regulations.
- 5.2 Paragraph 4.13 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all unforeseen variations and extensions to contracts with an original value of £500,000 or above, when the variation or extension is greater than 10% of the original value and/or is for a period of more than 12 months

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<sup>1</sup> [Police and crime plan: a safer city for all Londoners | London City Hall](#)

- 5.3 Paragraph 4.14 of the Scheme provides that the DMPC reserves the right to call in any proposal to award a contract valued at £500,000 or above.
- 5.4 Paragraph 7.23 of the Scheme provides that the Director of Strategic Procurement has consent to approve all proposals to award of all contracts with the exception of those called in through the agreed call in procedure.
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- 5.9 Other compliant routes for procurement may include use of existing framework contracts (if the relevant supplier can supply under any such existing framework) where possible and commercially appropriate use of existing frameworks which name MPS as a user would be compliant with the Public Contracts Regulations 2015.

### **Equality Comments**

- 6.1 As support arrangements for the selected systems are already in place, there are considered to be no negative equality or diversity implications arising from this request. Where appropriate an Equality Screening Exercise (ESE) will be conducted to identify any negative equality impact between the implementation and renewal, with an Equality Impact Assessment undertaken if negative impact is identified.

### **Privacy Comments**

- 7.1 The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.

7.2 Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects

7.3 The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the renewals meet its compliance requirements.

7.4 The contracts do not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

### **Real Estate Implications**

8.1 As this is an extension of existing services this work does not change any aspects relating to real estate.

### **Environmental Implications**

9.1 As this is an extension of existing services this work does not change any aspects relating to the environmental impact.

### **Background/supporting papers**

10.1 Report 'Consolidated IT Contract Renewals 22/23'

Report author: Jamie Hewitt, Director of Applications, End User and Radio Services, Digital Policing

### **Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.**

The Government Security Classification marking for Part 2 is:  
OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of 'Consolidated IT Contract renewals 22/23' is exempt from publication for the following reasons:

- It contains information on the value of individual contracts which, if published, may negatively impact the organisations ability to obtain best value in future sourcing work.

The exemption is covered under Article 2(2)(a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests). The paper will cease to be exempt once the information is no longer commercially sensitive, likely 2 years after the contracts renewed in this paper have ceased.